



Draft E-Commerce Norms- 2019

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Ministry of Consumer Affairs has released the **draft guidelines on e-commerce** for consumer protection.

- The e-Commerce guidelines for Consumer Protection, 2019 will be applicable on all **business-to-consumer (B2C)** e-commerce platforms.
- E-Commerce norms will act as the guiding principles for e-commerce business for preventing **fraud, unfair trade** practices and protecting the **legitimate rights and interests of consumers**.
- The key areas that have been covered in the rules include preventing price influencing, addressing counterfeit, improving integrity of reviews as well as increasing transparency of terms e-commerce have with sellers and disclosure of seller information.

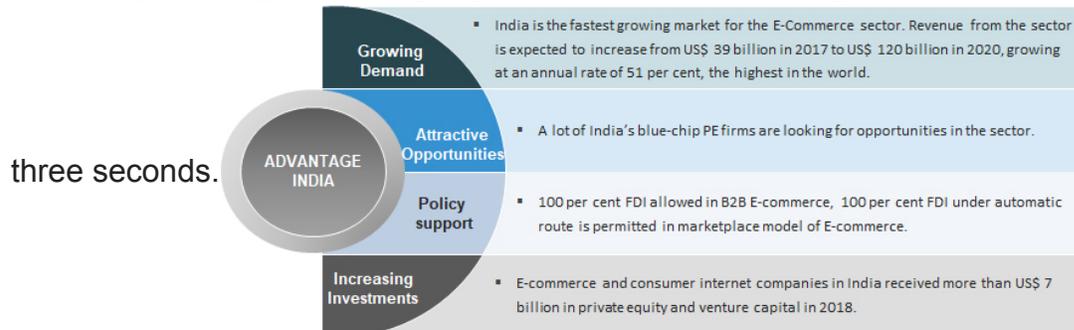
Key Guidelines

- **Compulsory Return Policy:** It is mandatory for e-commerce entities to accept returns in the event the products delivered are **defective, wrong or spurious** or if they do not have the characteristics or features advertised.
- **Seller Details:** E-commerce companies will also have to display details about the **sellers** on their website, especially the type of business furnished by the seller entity.
- **Transparent Contract:** The draft guidelines propose to increase transparency in contracts signed between **e-commerce entities** and the **sellers**, directing them to display **terms of their contracts** relating to aspects like return, refund, exchange, warranties and guarantees, delivery and shipment, mode of payments and redressing grievances.
- **Grievance Redressal:** The draft has also sought transparency on the **procedure followed to address complaints**, directing e-commerce companies to publish contact details of their **grievance officers** on their websites and setting a **one-month timeline** for them to redress issues from the time the complaint is registered.
- **Fair Pricing Policy:** E-commerce platforms will not be allowed to directly or indirectly **influence the price** of the products and services they offer.

- **Unfair Trade Practice:** E-commerce platforms cannot adopt any trade practice for the purpose of **promoting the sale**, use or supply of any goods or services or **use unfair and deceptive methods** and practices that may influence the consumer's transactional decisions.
- **False Reviews:** Guidelines aim to restrict sellers from falsely representing themselves as consumers or posting reviews as well as misrepresenting and exaggerating the quality and features of products on their sites.

Indian E-commerce Market

- According to **Morgan Stanley report- 2019**, India is adding one Internet user every



- The **e-commerce sector in India** is estimated to reach **USD 230 billion by 2028** (accounting for 10% of India's retail).
- The e-commerce sector in India has been witnessing an explosive growth fuelled by the increase in the number of **online users**, growing penetration of **smartphones** and the rising popularity of **social media platforms**.
- The Indian e-commerce industry is expected to surpass the US to become the **second largest e-commerce market** in the world by **2034**.
- **Online shoppers** in India are expected to reach 120 million in 2018 and eventually 220 million by **2025**.

Source: BL